



DEPARTMENT OF COMMERCE

International Trade Administration

[A-557-823]

Polyester Textured Yarn from Malaysia: Final Affirmative Determination of Sales at Less-Than Fair-Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that polyester textured yarn (yarn) from Malaysia is being, or is likely to be, sold in the United States at less than fair value (LTFV). The period of investigation is October 1, 2019, through September 30, 2020.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Daniel Alexander, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4313.

SUPPLEMENTARY INFORMATION:

Background

On June 3, 2021, Commerce published in the *Federal Register* the preliminary affirmative determination in the LTFV investigation of yarn from Malaysia.¹ Commerce invited interested parties to comment on the *Preliminary Determination*.

For a complete description of the events that followed the *Preliminary Determination*, see the Issues and Decision Memorandum.² The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and

¹ See *Polyester Textured Yarn from Malaysia: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 86 FR 29748 (June 3, 2021) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM).

² See Memorandum, “Polyester Textured Yarn from Malaysia: Issues and Decision Memorandum for the Final Affirmative Determination of Sales at Less Than Fair Value” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope Comments

On May 26, 2021, we issued the Preliminary Scope Decision Memorandum.³ The scope case briefs were due on July 9, 2021.⁴ We did not receive any scope case briefs from interested parties. Therefore, Commerce has not made any changes to the scope of this investigation since the *Preliminary Determination*.

Scope of the Investigation

The product covered by this investigation is yarn from Malaysia. For a complete description of the scope of this investigation, *see* Appendix I.

Verification

Commerce was unable to conduct on-site verification of the information relied upon in making its final determination in this investigation. However, we took additional steps in lieu of an on-site verification to verify the information relied upon in making this final determination, in accordance with section 782(i) of the Tariff Act of 1930, as amended (the Act).⁵

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are discussed in the Issues and Decision Memorandum. A list of the issues raised in the Issues and Decision Memorandum is attached to this notice as Appendix II.

³ See Memorandum, “Antidumping Duty Investigations of Polyester Textured Yarn from Indonesia, Malaysia, Thailand, and Vietnam: Preliminary Scope Decision Memorandum,” dated May 26, 2021 (Preliminary Scope Decision Memorandum).

⁴ The scope case briefs were due no later than 15 days after the responses to the scope supplemental questionnaires on intermingled textured yarn were filed. See Preliminary Scope Decision Memorandum at 3. The last scope supplemental response was submitted on June 24, 2021. See Recron (Malaysia) Sdn. Bhd. (Recron)’s Letter, “Scope Supplemental Questionnaire Response,” dated June 24, 2021.

⁵ See Commerce’s Letter, “In Lieu of Verification Questionnaire for Recron (Malaysia) Sdn. Bhd. in the Less-Than-Fair-Value Investigation of Polyester Textured Yarn from Malaysia,” dated July 21, 2021; *see also* Recron’s Letter, “Polyester Textured Yarn from Malaysia: Recron (Malaysia) Sdn. Bhd. In Lieu of Verification Questionnaire Response,” dated July 30, 2021.

All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated weighted-average dumping margin for all other producers and exporters not individually investigated shall be equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated excluding rates that are zero, *de minimis*, or determined entirely under section 776 of the Act.

Commerce calculated an individual estimated weighted-average dumping margin for Recron. Consequently, the rate calculated for Recron is also assigned as the rate for all other producers and exporters.

Changes from the Preliminary Determination

Based on our analysis of the comments received, we made certain changes to the dumping margin calculations for Recron.⁶

Final Determination

Commerce determines that the following estimated weighted-average dumping margins exist:

| Exporter or Producer | Estimated Weighted-Average Dumping Margin (percent) |
|-----------------------------|--|
| Recron (Malaysia) Sdn. Bhd. | 8.50 |
| All Others | 8.50 |

Disclosure

Commerce intends to disclose its calculations and analysis performed in this final determination to interested parties within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

⁶ See the Issues and Decision Memorandum for a discussion of these changes.

In accordance with section 735(c)(1)(B) of the Act, Commerce will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all entries of yarn from Malaysia, as described in Appendix I of this notice, which were entered or withdrawn from warehouse for consumption on or after June 3, 2021, the date of publication of the *Preliminary Determination* in the *Federal Register*.

Pursuant to section 735(c)(1)(B)(ii) of the Act, upon the publication of this notice, Commerce will instruct CBP to require a cash deposit equal to the weighted-average amount by which the normal value exceeds U.S. price as follows: (1) the cash deposit rate for the companies listed above will be equal to the company-specific estimated weighted-average dumping margins determined in this final determination; (2) if the exporter is not identified above, but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers and exporters will be equal to the all-others estimated weighted-average dumping margin.

These suspension of liquidation instructions will remain in effect until further notice.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the International Trade Commission (ITC) of our final affirmative determination of sales at less than fair value. Because the final determination in this investigation is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of subject merchandise from Indonesia no later than 45 days after our final determination. If the ITC determines that such injury does not exist, this proceeding will be terminated, and all cash deposits posted will be refunded. If the ITC determines that such injury does exist, Commerce will issue an antidumping duty order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of the subject merchandise entered, or withdrawn

from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Notification Regarding Administrative Protective Order

This notice serves as a reminder to the parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act, and 19 CFR 351.210(c).

Dated: October 18, 2021.

Ryan Majerus,
Deputy Assistant Secretary
for Policy and Negotiations,
Performing the Non-Exclusive Functions and Duties of The
Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation, polyester textured yarn, is synthetic multifilament yarn that is manufactured from polyester (polyethylene terephthalate). Polyester textured yarn is produced through a texturing process, which imparts special properties to the filaments of the yarn, including stretch, bulk, strength, moisture absorption, insulation, and the appearance of a natural fiber. This scope includes all forms of polyester textured yarn, regardless of surface texture or appearance, yarn density and thickness (as measured in denier), number of filaments, number of plies, finish (luster), cross section, color, dye method, texturing method, or packaging method (such as spindles, tubes, or beams).

The merchandise subject to this investigation is properly classified under subheadings 5402.33.3000 and 5402.33.6000 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background

- III. Changes Since the *Preliminary Determination*
- IV. Scope of the Investigation
- V. Discussion of the Issues
 - Comment 1: Recron's Internal Grade Categorization
 - Comment 2: Major Input Rule Adjustment Regarding Recron's Reported Paraxylene Costs
 - Comment 3: Major Input Rule Adjustment Regarding Recron's Purified Terephthalic Acid Costs
- VI. Recommendation

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